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BEFORE THE  
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TENNESSEE REGULATORY AUTHORITY

Petition of

MCI, Inc.

For Grant of the Authority Necessary for  
the Transfer of Assets of MCI WorldCom  
Network Services, Inc. to MCI WorldCom  
Communications Services, Inc.

T.R.A. DOCKET ROOM

Docket No. 05-00247

**PETITION FOR EXPEDITED APPROVAL OF TRANSFER OF ASSETS**

Pursuant to Tenn. Code Ann. § 65-4-112 and TRA Procedural Rules 1220-1-1.08, MCI, Inc. ("MCI"), by its undersigned counsel, and on behalf of its subsidiaries MCI WorldCom Network Services, Inc. ("MCI Network Services") and MCI WorldCom Communications Services, Inc. ("MCI Communications Services"), hereby requests that the Authority grant such authority as may be necessary or required for the transfer to MCI Communications Services of certain assets of MCI Network Services related to its provision of telecommunication services. The transaction is another step in MCI's effort to streamline its corporate structure, achieve cost savings and eliminate any administrative duplication. The transaction is expected to be completed by December 31, 2005.

**A. Description of the Applicant, MCI**

MCI is a corporation created and existing under the laws of the State of Delaware, with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147. Through various operating subsidiaries, including MCI Network Services and MCI Communications Services, MCI provides international and domestic interstate, intrastate and local telecommunications services. MCI is the parent company of various operating subsidiaries and offers no services directly to the public and holds no certificates of public convenience and

necessity issued by the Authority. Additional information about MCI, Inc. is available at [www.mci.com](http://www.mci.com).

MCI WorldCom Network Services, Inc.,<sup>1</sup> is a Delaware corporation with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147 (Tennessee Certificate: Docket Nos. 99-00433; U-84-7311). MCI Network Services provides wholesale long distance telephone, data and Internet services to other carriers. MCI Network Services owns facilities used to provide non-local services. MCI, Inc. is the ultimate parent of MCI Network Services.

MCI WorldCom Communications Services, Inc.,<sup>2</sup> is a Delaware corporation with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147 (Tennessee Certificate: Docket Nos. 03-00525; 99-00433; 97-01361). MCI Communications Services is MCI's primary entity for U.S. based sales contracts. It holds MCI's customer contracts for commercial, wholesale, consumer, and the public sector and leases various facilities. It also provides long distance services to MCI's retail consumer and business customer base in all 50 states and the District of Columbia. MCI, Inc. is the ultimate parent of MCI Communications Services.

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<sup>1</sup> MCI, Inc., on behalf of MCI WorldCom Network Services, Inc., has filed a Petition with the Authority to change the name of the MCI WorldCom Network Services, Inc., to MCI Network Services, Inc. (*See Petition of MCI WorldCom Network Services, Inc., to Change its Name to MCI Network Services, Inc.* – Docket No. 05-00206) An application to change the Certificate of Authority of MCI WorldCom Network Services, Inc., to MCI Network Services, Inc. has been filed with the Tennessee Secretary of State and were attached to the Petition in Docket No. 05-00206

<sup>2</sup> MCI, Inc., on behalf of MCI WorldCom Communications, Inc., has filed a Petition with the Authority to change the name of the MCI WorldCom Communications, Inc., to MCI Communications Services, Inc. (*See Petition of MCI WorldCom Network Services, Inc., to Change its Name to MCI Network Services, Inc.* – Docket No. 05-00205) An application to change the Certificate of Authority of MCI WorldCom Communications, Inc., to MCI Communications Services, Inc. has been filed with the Tennessee Secretary of State and were attached to the Petition in Docket No. 05-00205.

**B. Contact Information**

Correspondence concerning this application may be directed to:

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**C. Description of the Transaction**

The transaction is an essential aspect of MCI's continued plans to streamline its corporate structure and allow it to operate in a more efficient manner. The transaction will result in MCI Network Services' assets, facilities and wholesale customer contracts involving long distance telephone, data and Internet services, being transferred to MCI Communications Services. As shown in Exhibits 1 and 2, MCI Network Services' assets will be transferred to MCI

Communications Services. MCI Network Services has no retail customers. All customers served by MCI Network Services facilities and pursuant to contract with MCI Network Services will be served by MCI Communications Services after the transfer of assets. MCI Communications Services has all authority necessary to provide the services currently provided by MCI Network Services. No new authority is being requested. MCI, Inc., the ultimate parent of both companies, will retain control of both subsidiaries. There is no change of ownership of certificates of authority. MCI Network Services, Inc. is retaining its certificates and is not asking for the cancellation of authority at this time.

The transfer of the assets and customers will not adversely affect the provision of services in Tennessee. Wholesale customers will receive the same services at the same high quality from MCI Communications Services that they currently receive from MCI Network Services. No changes will be made to the rates, terms and conditions or service offerings; only the name will change, and all branding will still remain MCI, making the transfer of assets transparent to all customers.

**D. Reasons for Expedited Consideration**

The public interest will be best served by the expeditious grant of this Petition. Competition will be increased by reinforcing MCI's status as a viable competitor. Importantly, streamlining the operations of MCI will increase its efficiencies and assist the Authority in increasing its administrative efficiencies by MCI Network Services' assets, facilities and wholesale customer contracts to MCI Communications Services.. Given that there are no impacted retail customers, MCI respectfully requests that the Authority approve this Petition as expeditiously as possible in order to allow MCI to consummate the proposed transaction as soon as possible.

**E. Conclusion**

MCI respectfully submits that the public interest, convenience, and necessity would be furthered by grant of this Application. MCI respectfully requests expedited approval by the Authority of the transfer of assets from MCI Network Services, Inc., to MCI Communications Services, Inc.

Further information regarding this transaction is available at the request of the Authority.

Respectfully submitted this 28<sup>th</sup> day of September, 2005,

**MCI, Inc., on behalf of its subsidiaries  
MCI WorldCom Network Services, Inc. and  
MCI WorldCom Communications Services, Inc.**

By: 

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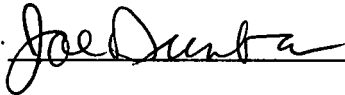
*Counsel for MCI, Inc.*

### VERIFICATION

I, Joseph Dunbar, state that I am Senior Manager, Regulatory Compliance and Reporting of MCI, Inc., applicant in the foregoing Petition of MCI, Inc.; that I am authorized to make this Verification on behalf of MCI, Inc; and that the statements in the foregoing Petition are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

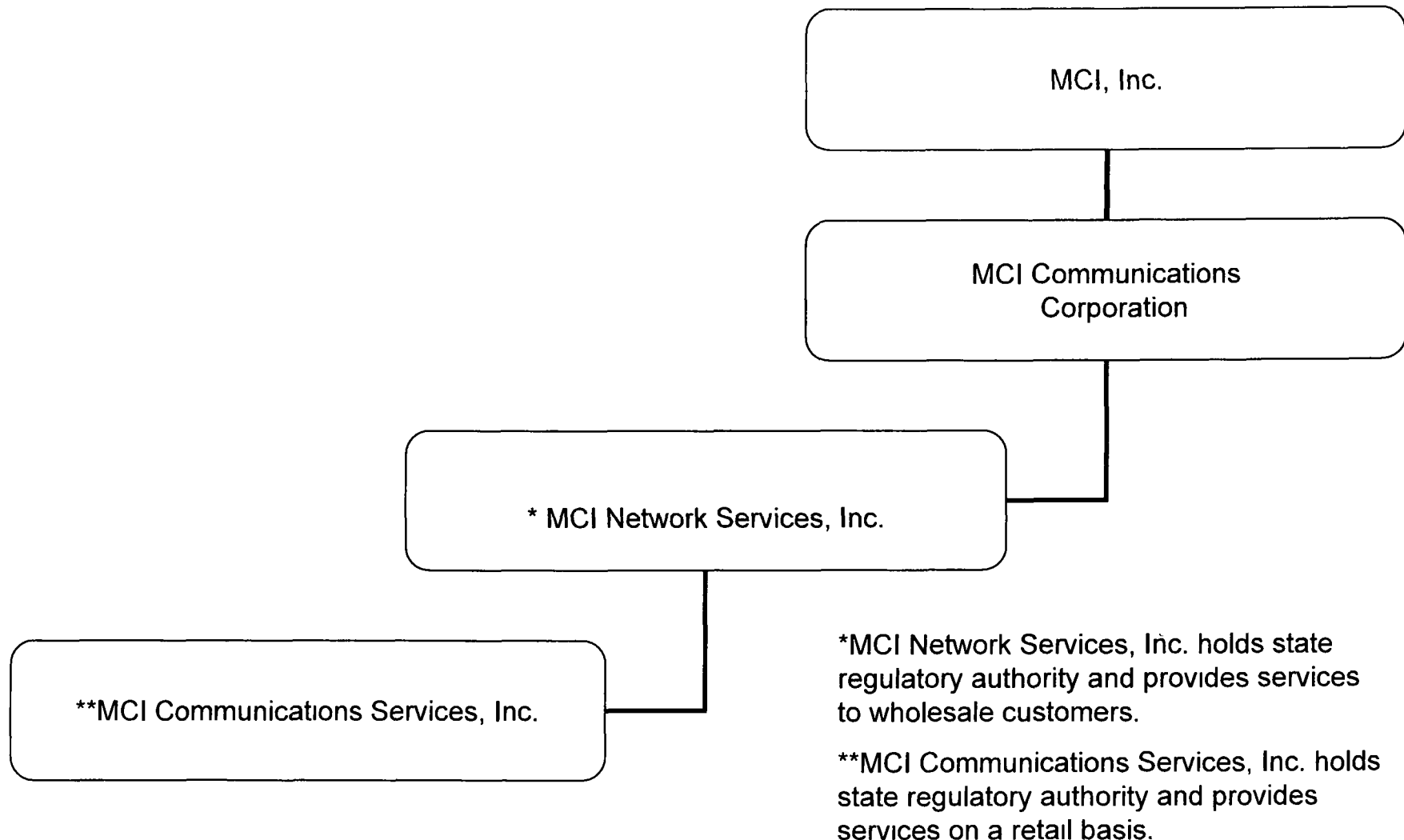
I declare under penalty of perjury that the foregoing is true and correct.

Executed this 27th day of September, 2005, at Rye Brook, New York.

By: \_\_\_\_\_

Name: Joseph Dunbar

# Current Corporate Structure



# Proposed Corporate Structure

